GOVERNMENT OF INDIA
HEALTH AND FAMILY WELFARE
LOK SABHA

STARRED QUESTION NO:270
ANSWERED ON:17.12.2008
POLICY FOR TOBACCO PRODUCTS
Rao Shri Devarakonda Vittal;Rao Shri Sambasiva Rayapati

Will the Minister of HEALTH AND FAMILY WELFARE be pleased to state:

(a) whether the Government proposes to enact a comprehensive policy on tobacco to discourage its consumption by imposing higher taxes, increasing excise and import duty on tobacco products and ban on foreign investment in the tobacco sector as reported in the Times of India dated 5 November, 2008;

(b) if so,the details thereof; and

(c) the steps taken by the Government in this regard?

Answer

THE MINISTER OF HEALTH & FAMILY WELFARE(DR. ANBUMANI RAMADOSS)

(a)to(c): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO LOK SABHA STARRED QUESTION NO. 270 FOR 17.12.2008

The Government's health policy on tobacco is to ensure effective protection of non-smokers from involuntary exposure to tobacco smoke and to protect children and young people from being addicted to use of tobacco. Government has taken a number of effective measures to protect citizens from involuntary exposure to tobacco smoke; discourage use of tobacco and impose progressive restrictions with a view to eventually eliminate all forms of advertisement, sponsorship and promotion of tobacco.In order to achieve these objectives, "The Cigarettes and Other tobacco Products (Prohibition of Advertisement and Regulation of Trade and Commerce, Production, Supply and Distribution) Act, 2003" was enacted by Parliament.

The Ministry of Health and Family Welfare has proposed review of existing trade tax policy with the view to discourage the consumption of tobacco products, viz

i) Review of the existing Free Trade Agreement (FTA), import & FDI Policy, EOU/SEZ policy/trade of tobacco and tobacco products.

ii) Review of industrial licencing policy to effectively regulate cigarette units. Also, expand its scope to cover other manufactured products such as gutka, cigars, machine made bidi, etc.

iii) Review of taxation policy to correct the distortion in tobacco taxes; use tax as an instrument to curb tobacco consumption in society.